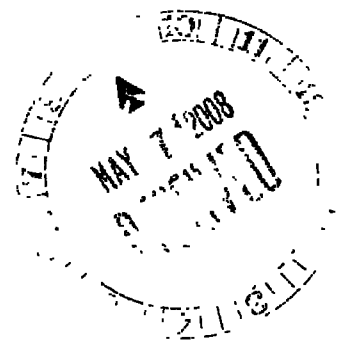


MAY 07 '08

10-45 AM

SURFACE TRANSPORTATION BOARD



February 20, 2008

Surface Transportation Board
Attn: Secretary
1925 K Street N.W.
Washington, D.C. 20423

Dear Secretary:

Enclosed for recordation are two (2) copies of a Memorandum of Management Agreement, dated as of February 20, 2008. Please record as a primary recordation.

The names and addresses of the parties to the enclosed document are:

Manager: Everest Railcar Services, Inc
1391 Plaza Place, Suite C
Springdale, AR 72764

Equipment Owner: Compound Energy, LTD.
Attn: Gregory S. Leusink
41 Wentworth Cres SW
Calgary, Alberta T3H-5V2
CANADA

A description of the railroad equipment covered by the enclosed document is: (1) One 2500 Cubic Foot 100-Ton Gondolas identified in Exhibit A attached hereto.

Also enclosed is a check in the amount of \$35.00 payable to the order of the Surface Transportation Board covering the required recordation fee.

Kindly return stamped copies of the enclosed document.

Very truly yours,

Gregory S. Leusink
President

MAY 07 08

10-45 AM

SURFACE TRANSPORTATION BOARD

MEMORANDUM OF MANAGEMENT AGREEMENT

THIS MEMORANDUM OF MANAGEMENT AGREEMENT, dated as of February 20, 2008, by and among EVEREST RAILCAR SERVICES, INC ("Manager") and COMPOUND ENERGY, LTD. ("Equipment Owner"), is made with reference to the following:

1. Manager has agreed to manage equipment owner railcar's under that certain Management Agreement, dated as of February 20, 2008 (the "Management Agreement"), among Manager and Equipment Owner.
2. Pursuant to the Management Agreement, Equipment Owner grant's to Manager the right to manage it's railcar's described on Exhibit A attached hereto
3. The Management Agreement shall be effective as of the date hereof.

This Memorandum of Management Agreement may be executed in any number of counterparts, each executed counterpart constituting an original, but all together only one Memorandum of Management Agreement.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, each of the parties hereto has caused this Memorandum of Management Agreement to be executed by its duly authorized officer as of the date first above written.

MANAGER:


EVEREST RAILCAR SERVICES, INC

By: 

Name: Steven J. Hendricks
Title: President

EQUIPMENT OWNER:


COMPOUND ENERGY, LTD.

By: 

Name: Gregory S. Leusink
Title: President

I certify that I hold the title set forth below, that this instrument was signed on behalf of the Manager by authority of its Board of Directors and that I acknowledge that the execution of the foregoing instrument was the free act and deed of the Manager. I further declare under penalty of perjury that the foregoing is true and correct.

Everest Railcar Services, Inc


By: 

Name: STEVEN HENDRICKS

Title: PRESIDENT

I certify that I hold the title set forth below, that this instrument was signed on behalf of the by authority of its Board of Directors and that I acknowledge that the execution of the foregoing instrument was the free act and deed of the Equipment Owner. I further declare under penalty of perjury that the foregoing is true and correct.

Compound Energy, LTD.

By: 

Name: Gregory S Leusink

Title: President

EXHIBIT A
Car List and ID Numbers

SFS 513